



General Assembly

January Session, 2005

**Amendment**

LCO No. 7580

\*SB0129007580SD0\*

Offered by:  
SEN. DUFF, 25<sup>th</sup> Dist.

To: Senate Bill No. 1290

File No. 218

Cal. No. 203

**"AN ACT CONCERNING A STUDY OF ENERGY EFFICIENCY."**

1 Strike everything after the enacting clause and substitute the  
2 following in lieu thereof:

3 "Section 1. Subsection (d) of section 16-245m of the general statutes  
4 is repealed and the following is substituted in lieu thereof (*Effective*  
5 *from passage*):

6 (d) (1) The Energy Conservation Management Board shall advise  
7 and assist the electric distribution companies in the development and  
8 implementation of a comprehensive plan, which plan shall be  
9 approved by the Department of Public Utility Control, to implement  
10 cost-effective energy conservation programs and market  
11 transformation initiatives. The plan shall be consistent with the  
12 comprehensive energy plan approved by the Connecticut Energy  
13 Advisory Board pursuant to section 16a-7a at the time of submission to  
14 the department. Each program contained in the plan shall be reviewed  
15 by the electric distribution company and either accepted or rejected by

16 the Energy Conservation Management Board prior to submission to  
17 the department for approval. The Energy Conservation Management  
18 Board shall give preference to projects that maximize the reduction of  
19 federally mandated congestion costs.

20 (2) There shall be a joint committee of the Energy Conservation  
21 Management Board and the Renewable Energy Investments Advisory  
22 Committee. The board and the advisory committee shall each appoint  
23 members to such joint committee. The joint committee shall examine  
24 opportunities to coordinate the programs and activities funded by the  
25 Renewable Energy Investment Fund pursuant to section 16-245n, as  
26 amended by this act, with the programs and activities contained in the  
27 plan developed under this subsection to reduce the long-term cost,  
28 environmental impacts and security risks of energy in the state. Such  
29 joint committee shall hold its first meeting on or before August 1, 2005.

30 ~~[(2)]~~ (3) Programs included in the plan developed under subdivision  
31 (1) of subsection (d) of this section shall be screened through cost-  
32 effectiveness testing which compares the value and payback period of  
33 program benefits to program costs to ensure that programs are  
34 designed to obtain energy savings and system benefits, including  
35 mitigation of federally mandated congestion costs, whose value is  
36 greater than the costs of the programs. Cost-effectiveness testing shall  
37 utilize available information obtained from real-time monitoring  
38 systems to ensure accurate validation and verification of energy use.  
39 Program cost-effectiveness shall be reviewed annually, or otherwise as  
40 is practicable. If a program is determined to fail the cost-effectiveness  
41 test as part of the review process, it shall either be modified to meet the  
42 test or shall be terminated. On or before March 1, 2005, and [March 1,  
43 2006] on or before March first annually thereafter, the board shall  
44 provide a report, in accordance with the provisions of section 11-4a, to  
45 the joint standing committees of the General Assembly having  
46 cognizance of matters relating to energy and the environment [which]  
47 that documents expenditures and fund balances and evaluates the  
48 cost-effectiveness of such programs conducted in the preceding year.  
49 Before conducting such evaluation, the board shall consult with the

50 Renewable Energy Investments Advisory Committee. The report shall  
51 include a description of the activities undertaken during the reporting  
52 period jointly or in collaboration with the Renewable Energy  
53 Investment Fund established pursuant to subsection (c) of section 16-  
54 245n, as amended by this act.

55 [(3)] (4) Programs included in the plan developed under subdivision  
56 (1) of subsection (d) of this section may include, but not be limited to:  
57 (A) Conservation and load management programs; (B) research,  
58 development and commercialization of products or processes which  
59 are more energy-efficient than those generally available; (C)  
60 development of markets for such products and processes; (D) support  
61 for energy use assessment, real-time monitoring systems, engineering  
62 studies and services related to new construction or major building  
63 renovation; (E) the design, manufacture, commercialization and  
64 purchase of energy-efficient appliances and heating, air conditioning  
65 and lighting devices; (F) program planning and evaluation; (G) indoor  
66 air quality programs relating to energy conservation; and (H) public  
67 education regarding conservation. Such support may be by direct  
68 funding, manufacturers' rebates, sale price and loan subsidies, leases  
69 and promotional and educational activities. Any other expenditure by  
70 the collaborative shall be limited to retention of expert consultants and  
71 reasonable administrative costs provided such consultants shall not be  
72 employed by, or have any contractual relationship with, an electric  
73 distribution company. Such costs shall not exceed five per cent of the  
74 total revenue collected from the assessment.

75 Sec. 2. Section 16-245m of the general statutes is amended by adding  
76 subsection (f) as follows (*Effective from passage*):

77 (NEW) (f) No later than December 31, 2006, and no later than  
78 December thirty-first every five years thereafter, the Energy  
79 Conservation Management Board shall, after consulting with the  
80 Renewable Energy Investments Advisory Committee, conduct an  
81 evaluation of the performance of the programs and activities of the  
82 fund and submit a report, in accordance with the provisions of section

83 11-4a, of the evaluation to the joint standing committee of the General  
84 Assembly having cognizance of matters relating to energy.

85 Sec. 3. Subsection (d) of section 16-245n of the general statutes is  
86 repealed and the following is substituted in lieu thereof (*Effective from*  
87 *passage*):

88 (d) The chairperson of the board of directors of Connecticut  
89 Innovations, Incorporated, shall convene a Renewable Energy  
90 Investments Advisory Committee to assist Connecticut Innovations,  
91 Incorporated, in matters related to the Renewable Energy Investment  
92 Fund, including, but not limited to, development of a comprehensive  
93 plan and expenditure of funds. The advisory committee shall, in such  
94 plan, give preference to projects that maximize the reduction of  
95 federally mandated congestion costs. The plan shall be consistent with  
96 the comprehensive energy plan approved by the Connecticut Energy  
97 Advisory Board pursuant to section 16a-7a. The advisory committee  
98 shall include not more than twelve individuals with knowledge and  
99 experience in matters related to the purpose and activities of said fund.  
100 The advisory committee shall consist of the following members: (1)  
101 One person with expertise regarding renewable energy resources  
102 appointed by the speaker of the House of Representatives; (2) one  
103 person representing a state or regional organization primarily  
104 concerned with environmental protection appointed by the president  
105 pro tempore of the Senate; (3) one person with experience in business  
106 or commercial investments appointed by the majority leader of the  
107 House of Representatives; (4) one person representing a state or  
108 regional organization primarily concerned with environmental  
109 protection appointed by the majority leader of the Senate; (5) one  
110 person with experience in business or commercial investments  
111 appointed by the minority leader of the House of Representatives; (6)  
112 one person with experience in business or commercial investments  
113 appointed by the minority leader of the Senate; (7) two state officials  
114 with experience in matters relating to energy policy and one person  
115 with expertise regarding renewable energy resources appointed by the  
116 Governor; and (8) three persons with experience in business or

117 commercial investments appointed by the board of directors of  
118 Connecticut Innovations, Incorporated. The advisory committee shall  
119 issue annually a report to such chairperson reviewing the activities of  
120 the fund in detail and shall provide a copy of such report, in  
121 accordance with the provisions of section 11-4a, to the joint standing  
122 committee of the General Assembly having cognizance of matters  
123 relating to energy, the Department of Public Utility Control and the  
124 Office of Consumer Counsel. The report shall include a description of  
125 the programs activities undertaken during the reporting period jointly  
126 or in collaboration with the Energy Conservation and Load  
127 Management Funds established pursuant to section 16-245m, as  
128 amended by this act.

129 Sec. 4. Section 16-245n of the general statutes is amended by adding  
130 subsections (e) and (f) as follows (*Effective from passage*):

131 (NEW) (e) There shall be a joint committee of the Energy  
132 Conservation Management Board and the Renewable Energy  
133 Investments Advisory Committee, as provided in subdivision (2) of  
134 subsection (d) of section 16-245m, as amended by this act.

135 (NEW) (f) No later than December 31, 2006, and no later than  
136 December thirty-first every five years thereafter, the advisory  
137 committee shall, after consulting with the Energy Conservation  
138 Management Board, conduct an evaluation of the performance of the  
139 programs and activities of the fund and submit a report, in accordance  
140 with the provisions of section 11-4a, of the evaluation to the joint  
141 standing committee of the General Assembly having cognizance of  
142 matters relating to energy.

143 Sec. 5. (NEW) (*Effective from passage*) Not later than October 1, 2005,  
144 the board of directors of Connecticut Innovations, Incorporated shall  
145 establish policies that reflect the best practices for board governance of  
146 a quasi-public agency, which policies shall include, but not be limited  
147 to, matters such as board responsibilities and accountabilities, a code  
148 of conduct and ethics, determination of compensation, orientation and

149 continuing education of directors, an annual evaluation of the board,  
150 document retention and destruction, audit responsibilities of  
151 independent board members of the financial activities and practices of  
152 the agency, and making disclosures under section 4-61dd of the  
153 general statutes and preventing retaliation."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	16-245m(d)
Sec. 2	<i>from passage</i>	16-245m
Sec. 3	<i>from passage</i>	16-245n(d)
Sec. 4	<i>from passage</i>	16-245n
Sec. 5	<i>from passage</i>	New section